



Llywodraeth Cymru
Welsh Government

S U P P O R T I N G
E N T R E P R E N E U R I A L
W O M E N I N W A L E S

AN APPROACH FOR WALES

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Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Foreword

As outlined in the Welsh Government's National Strategy: Prosperity for All, we want to see a Wales that promotes inclusive growth, creates opportunity and tackles inequality, as well as creating the right environment to enable entrepreneurs and businesses to grow and prosper. These aims are reflected in more detail in our Economic Action Plan and Wellbeing Goals and the need to support people and businesses to drive prosperity.

I want to ensure that we advance these aims and take positive actions to identify and seek to address the barriers faced by individuals in starting and growing their businesses.

Specifically, in relation to female entrepreneurship a Panel of experts (the Panel), under the remit of the Business Wales Strategic Board has reviewed the position in Wales. In conducting the review, the Panel has adopted the principles of the Massachusetts Institute of Technology's (MIT) Regional Entrepreneurship Acceleration Programme (REAP).

In Wales, the REAP principles are being delivered through 'Be The Spark' and are key to driving forward innovation and entrepreneurship to create a supportive ecosystem that is visible, simple to navigate, and well connected. I'm pleased that the Panel has made recommendations that fit neatly with this aim to encourage the business support community in Wales to consider and refresh their approaches including enhanced gender-focused services.

Entrepreneurship is vital for the economy, and the gender-focused approach (the approach) to supporting entrepreneurial women outlined in this document, is an integral part of achieving our ambition of a prosperous and economically secure Wales.

This review demonstrates that there is widespread enthusiasm and desire across Wales to better support women to achieve their business goals.

I would like to extend my gratitude to everyone who has contributed to developing the approach, especially the Panel members who have given their time on a voluntary basis to enable this to happen.

Finally, I call on all business support organisations, financial institutions and stakeholders in Wales to adopt a more gender-focused approach in your delivery and I encourage you to get involved and show your support by:

- Following the associated 'Good Practice Guide'.
- Showcasing what you currently do, and what you are going to do to improve support for women entrepreneurs, for example by entering a commitment on the 'Be The Spark' website – www.bethespark.wales.
- Joining in the conversation on **#businesswomenwales**.
- Spreading the word and encouraging others to take part.

By encouraging, supporting and increasing the number of women entrepreneurs we will help create a Wales that is prosperous and economically secure, and make Wales a country that leads the way for women entrepreneurs to start, grow and develop their businesses.



Ken Skates AM
Minister for Economy & Transport



“

With a female managing partner and women in around 50% of the firm’s leadership positions, a gender-balanced workforce has been at the heart of Capital Law’s growth. We believe that increased financial contribution from women in Wales is key to the Welsh Government’s Economic Action Plan, and that businesses like ours have a part to play in seeking out, nurturing and supporting our local entrepreneurial women.

”

Alys Carlton, Partner Capital Law

As Chair of the Panel I would like to thank the open and collaborative approach taken by the Welsh Government to help bring this project to fruition. It would not have been possible to do so without the hard work, enthusiasm and drive of the Panel members, who have shown real commitment and given up considerable amounts of their time to facilitate this.

When I started my business in the Valleys, fourteen years ago, both the business support and economic landscape were very different. Much has been achieved in the intervening years yet there is much more still to do to deliver tailored support to women entrepreneurs. This proposed approach is the next step in that journey to deliver equality of service.

Using an African proverb that *“If you want to go fast then go alone, but if you want to go far then go together”* I am calling on everyone in Wales to come together to help us go far, to help us reach our full

potential and to ensure everyone has the same opportunity to start, sustain and grow a business in Wales, whatever their background and wherever they live.



Helen Walbey
Chair of the Panel, business owner and
Federation of Small Business (FSB)
Policy Chair for Home Affairs

“
**This... is the next step in that journey
to deliver equality of service.**

”
Helen Walbey

The work of the Panel has been undertaken with the support of the Business Wales Strategic Board (the Board), to which I add my appreciation for their contribution and commitment.

The Board recognises the inclusive approach already adopted by the Business Wales service in supporting new and established businesses, but also recognises that more can be done in Wales to tailor business support to offer a more personalised approach to supporting women entrepreneurs who are generally underrepresented in terms of business ownership.

As a Board we welcome the approach and urge the business support community to get involved and sign up to the principles, so we can better support women entrepreneurs and have a positive impact on the economy in Wales that will benefit us all.



Robert Lloyd Griffiths OBE
Chair of Business Wales Strategic Board

Introduction

The under representation of women in business in the United Kingdom (UK), both as business owners and senior managers, is well documented. The gender gap in entrepreneurship means that women are not achieving their full economic potential and the Welsh economy is missing out on the even greater contribution they could make in terms of job creation, innovation and increased gross domestic product (GDP). As well as being important for growth and employment generation, entrepreneurship is widely regarded as a strong basis for women's economic independence.

In Wales over recent years, the approach to encouraging entrepreneurial attitudes and business support for start-ups and established businesses has developed to broaden the participation of all demographic groups, including women; however, there is still more we can do.

By encouraging, supporting and increasing women's participation in entrepreneurship, we can have a positive impact on the economy of Wales to promote opportunity, tackle inequality and deliver individual and national prosperity.

In May 2017, the Welsh Government brought together a Panel of experts to undertake jointly a review of the support available to entrepreneurial women, and provide advice and guidance on how best to encourage, develop and support women entrepreneurs here in Wales.

The Panel consists of individuals and organisations from across the public, private, third, and education sectors (see page 14 for the list of Panel members), and is closely aligned to the independent Business Wales Strategic Board that has a Ministerial remit to oversee and provide strategic guidance for the Welsh Government's business support service Business Wales.

In formulating the advice and recommendations, the Panel has considered a wide body of literature and evidence, including discussions with women entrepreneurs, business support organisations and stakeholders from across Wales.

This document highlights the evidence and rationale for intervention, and outlines the approach recommended by the Panel to better support women entrepreneurs in Wales.

The recommendations are not just relevant to the Welsh Government's services; they are also pertinent across the wider business support community in Wales. To aid the implementation of the Panel's advice a hands-on 'Good Practice Guide' has been developed to assist business support organisations and stakeholders to adopt and take forward the recommendations of the Panel.

There is also a call to action, outlining how organisations and stallholders can get involved and demonstrate their commitment to further advance a gender-focused approach to their service delivery.

Drawing from the evidence collected, the Panel is clear that there is a real desire and willingness amongst the business support community to work together and make Wales a country that is serious about supporting women entrepreneurs.

By signing up to the principles outlined in the approach the Panel believes that the business support community can come together to achieve a shared ambition of a prosperous and inclusive Wales where women entrepreneurs are supported and encouraged to achieve success.

Rationale

Literature Review

Women entrepreneurs make important contributions to economic development both at an international, national and local level, generating employment and economic growth potential.

Studies have shown that greater gender diversity helps to drive innovation and uncover novel solutions. Growing female entrepreneurship can provide a significant economic boost, and increasing gender diversity across the business ecosystem with a feed into innovation activity, can provide an incremental economic uplift to support a productive and competitive business landscape.

The **Organisation for Economic Co-operation and Development (OECD) Innovation Strategy**¹ notes that innovation can often account for a substantial share of economic growth – around 50% of total GDP growth. Where there is not a gender-aware and informed business ecosystem, women are 20% less likely than men to gain support for their ideas, which ultimately inhibits economic growth.

The UK Government's All Party Parliamentary Group for Entrepreneurship (APPG) report '**Women in Leadership 2018**'² notes that in the UK there are 1.2 million women-led SMEs, which contribute an estimated £115 billion to the UK's economic output.

However, there is a widely accepted body of research that identifies women are still under represented in business, both as business owners and senior managers. The UK Women's Business Council publication, **Simple Steps to Unlocking Potential**³ estimated that by equalising men and women's economic participation rates it could add more than 10% to the size of the economy by 2030.

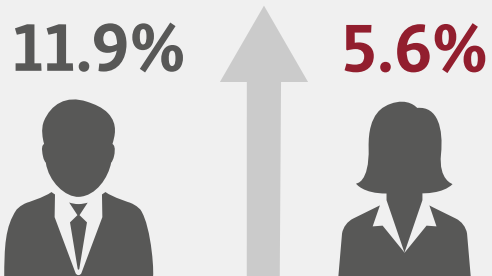
This observation is supported by the UK Government's '**Burt Report: Inclusive Support for Women in Enterprise**'⁴ and that improving support for "women entrepreneurs would raise employment and help many women to achieve their aspirations".

Although female entrepreneurship has been growing in the UK since 2009, the number of women setting up a business still lags behind

countries such as Canada and the US, and few women can be found among the entrepreneurial elite.⁵

Despite the recent rise towards entrepreneurship, overall 11.9% of the male adult population is currently engaged in entrepreneurial activity, compared with 5.6% of women⁶ and while longevity rates for women-led early-stage businesses in the UK have historically been lower than for men, there is now no difference between the survival rates in 2017.

Adult population in the UK engaged in entrepreneurial activity



Source: GEM 2017

Gender differences, namely education, experience, networks and access to capital, have an effect on the ways in which men and women approach and practice entrepreneurship. In response to the APPG's call for evidence, experts from the Women's Organisation said, "women faced difficulties and obstacles in maintaining businesses, including unfavourable business regulations, networking opportunities that favour men, and less access to finance."



Yaina Samuels - NuHi Training Ltd

We should not consider women as a homogeneous group; however more often than not issues of class, race, age and disability are not considered in research on women entrepreneurs in the UK.

It is important that business support services are aware of the issues of intersectionality, and how this can either exclude women from services or make them feel that the service is not right for them, as it does not meet their needs. Women represent a large demographic and targeting business support services can have a notable impact and help create an environment where other under-represented groups can also thrive.

Here in Wales the proportion of women owned businesses stands at 28%, close to the UK level of 31%, although this has remained constant for some years.

Women owned businesses in Wales



The Welsh Government’s Business Wales service attracts a high proportion of women, with 46% of enquiries for business start-up support being from women, although the conversion of enquiries to actual new business starts is slightly lower for women at 28% compared with 33% for men.

In 2016 the Federation of Small Business (FSB) published two reports – ‘[Women in Enterprise: The Untapped Potential](#)’⁷ and ‘[Going Solo: Understanding Self-Employment](#)’⁸. Both reports highlight a range of issues related to the challenges faced by entrepreneurial women, such as access to finance; fear of debt; balancing work and family commitments; reconciling caring responsibilities and demands of work; and the lack of available and affordable childcare.

The above reports clearly demonstrate that women face a number of barriers in setting up and maintaining a business. They can be disadvantaged at the early stages of development due to issues such as under-capitalisation and gender-blind policy in business support. Cultural norms and gender stereotyping in society can make women less confident in their capacities as business owners.

The evidence is clear, developing and supporting entrepreneurial women is important for overall business and economic prosperity. By adopting a more gender-focused approach and targeting activities at supporting women entrepreneurs, we can help unlock the full economic and individual potential.

The Views of Women Entrepreneurs

As part of the review the Panel commissioned the University of South Wales to conduct a small study with both women and business support organisations. This study aimed to establish both the barriers and challenges that women entrepreneurs are currently experiencing as well as determining the current views and landscape of the business support provision in Wales.

The views of women entrepreneurs were collated via an online survey completed by over 100 women (both those considering starting a business and those already in business) and supported by three in depth focus groups, two of which were held in South Wales and one in the North, to establish the barriers and challenges faced by women entrepreneurs in Wales.

This study concluded that in the view of women entrepreneurs:

- There is a lack of appropriate business mentors to support the development and growth stages of business. They placed an emphasis on the importance of the mentor-mentee matching process.
- There is a perception that publicly funded business support is at times, provider-focused rather than person-centred; reactive rather than positive; and office-hours, office-based rather than mobile and flexible.
- Concerns exist in relation to addressing personal barriers such as, practical and social challenges; issues relating to the care of children, work-life balance/conflict; and for some, a lack of confidence.
- Women consider that they have a lack of relevant business contacts, particularly at pre-start and start-up stages of business.

- The fear of failure is more prominent at the pre-start and start-up phases, with a fear of success more commonly experienced at the development and growth stages of business.
- There is a lack of belief in their own (i.e. women entrepreneurs) business skills.
- There is a perceived lack of availability and access to finance at all stages of business start-up and growth.

The Views of Business Support Organisations

The business support study consisted of two focus groups and follow up telephone interviews with 23 business support stakeholders across Wales.

This study concluded that the views of business support organisations' consulted varied to those of women entrepreneurs in a handful of key areas.

These include:

- Access to and availability of finance is not seen by providers as such an issue as expressed by women entrepreneurs.
- Gender, cultural and institutional issues are not viewed by providers as being such substantive barriers as expressed by women entrepreneurs.

The Panel also met with a number of organisations from the finance sector that formed part of their consultations and were encouraged by the responsiveness to the issues raised. Those organisations represented both recognise the need to tailor services further and supported the approach recommended by the Panel.

**“
I call on all business support organisations,
financial institutions and stakeholders in Wales to adopt
a more gender focused approach.
”**

Ken Skates AM, Minister for Economy & Transport

Recommendations of the Panel

The Panel concludes that there is clear evidence that highlights the benefits of refining public and private sector business support services to have a more gender-focused approach.

It is also evident that there is good practice across Wales, however there is more that can be done to target and engage more effectively with women entrepreneurs, and to tailor and promote support services to better meet their needs.

Simple steps can be taken such as improving dialogue with entrepreneurial women who are looking to start, sustain or grow their businesses, as well as connecting them with available support and each other.

The Panel has made ten recommendations to help tackle inequality and ensure that the needs of entrepreneurial women in Wales are being fully met. The recommendations aim to build on the current strengths of business support services in Wales and create a more gender-focussed approach which the business support community can easily adopt.

1

Improve engagement with potential women entrepreneurs to better understand their individual barriers that prevents participation in business start-up activity.

2

Further tailor business support services to ensure they are gender aware and focussed to meet the specific needs of women entrepreneurs, recognising their different characteristics, culture and circumstances.

3

Increase the availability of women business advisors and mentors and make women aware of the choice of service they have.

4

Improve information on the availability of finance for women entrepreneurs, and ensure there are no unnecessary restrictions to the awarding of finance.

5

Recognise and promote the success of women entrepreneurs as role models to others.

6

Improve access to business support information sources and encourage networking between women entrepreneurs and the wider business community.

7

Develop a good practice guide and encourage business support organisations to adopt this.

8

Provide tailored, practical pre-start business support that encourages and supports women to build their self-confidence.

9

Continue to engage with young women to promote and develop entrepreneurial attitudes, with particular emphasis on the education system.

10

Ensure that business awards in Wales actively encourage both recognition of women entrepreneurs and ensure that there is a gender balanced panel and judging criteria.

Call to Action

By adopting a gender-focused approach and taking forward the recommendations, the business support community can demonstrate that it recognises the importance of women entrepreneurs and the economic contribution they make.

To help the business support community adopt a gender-focused approach, a hands-on Good Practice Guide (the Guide) has been produced. The Guide should be read alongside the approach to help improve the business support available for women who are either in business or thinking of setting up a business.

The Guide is structured under seven themes, these provide a strategic overview with which to develop practice to further support entrepreneurial women in Wales. Under the themes the Guide explains the importance of developing good practice and suggests practical tips for delivery.

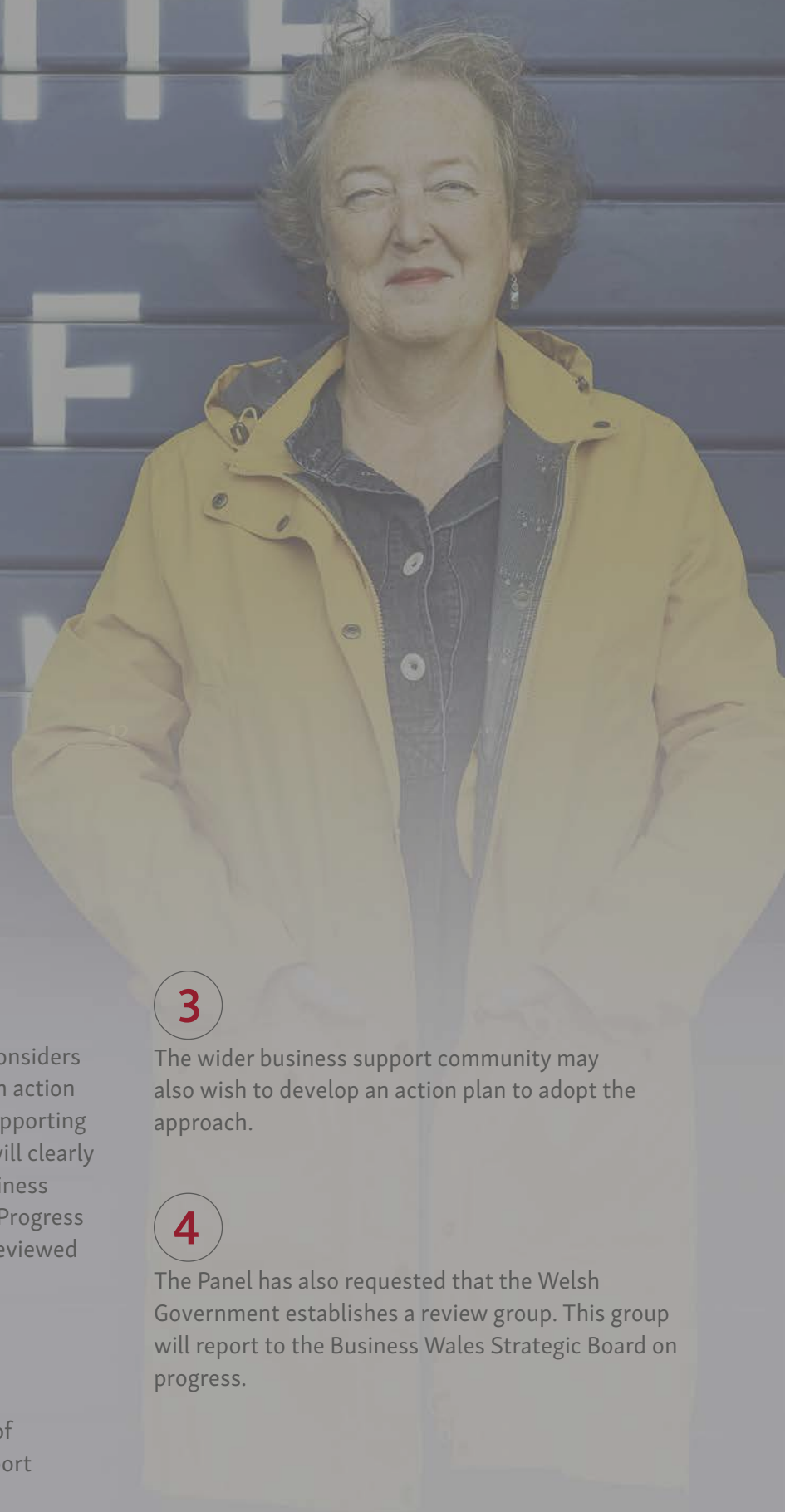
Themes within this guide are:

- Business Advice and Information
- Accessing Finance
- Mentoring
- Networking
- Business Awards and Events
- Incubation Units, Co-working Locations and Business Hubs
- Monitoring Practice Delivery

The Panel now calls on all business support organisations and stakeholders in Wales to commit to supporting activities and initiatives that further this approach across Wales. It is easy to get involved and demonstrate support for the approach by following these four simple steps:

- 1** Use the associated 'Good Practice Guide'. businesswales.gov.wales/supporting-women-wales
- 2** Make a public commitment on 'Be the Spark' website to showcase what you currently do, and what you are going to do to improve support for women entrepreneurs. www.bethespark.wales
- 3** Join in the conversation on [#businesswomenwales](https://twitter.com/businesswomenwales).
- 4** Spread the word and encourage others to take part.

Next Steps



Alison Lea Wilson - Anglesey Sea Salt

1

The Panel asks that Business Wales fully considers the ten recommendations and publishes an action plan to demonstrate its commitment to supporting entrepreneurial women. This action plan will clearly outline what the Welsh Government's Business Wales Service intends to do and by when. Progress should be monitored and the action plan reviewed annually with the findings published.

2

The Welsh Government raises awareness of this review within the wider business support community by holding a series of regional dissemination events.

3

The wider business support community may also wish to develop an action plan to adopt the approach.

4

The Panel has also requested that the Welsh Government establishes a review group. This group will report to the Business Wales Strategic Board on progress.

Conclusion

To conclude, the evidence gathered is simply too overwhelming to ignore, business support in Wales needs to be more responsive and truly inclusive if we are to unlock the full potential at both an individual and economic level.

The Welsh Government is committed to recognising the contribution of women entrepreneurs in Wales and will continue to listen to the views and experiences of women when starting, sustaining or growing their business in Wales.

By producing an action plan in response to the Panel's ten recommendations, the Welsh Government will continue to target and engage more effectively with women entrepreneurs and tailor our business support services to meet their needs.

We will continue dialogue with other business support organisations to make Wales a country that is serious about supporting women entrepreneurs and strongly urge others within the business support arena to do the same and join us in making Wales a more prosperous, secure and fair place to live for now and for future generations to come.



“

Central to the success of our economy and the drive to promote equality and fairness is the need to promote and develop female entrepreneurship in Wales. This is why FSB Wales is delighted that the Welsh Government has chosen to convene a wide range of stakeholders including FSB to explore the practical steps required to do this. This builds on the agenda outlined in FSB's 2016 report on Women in Enterprise. It is important now that all those within business and those supporting business and beyond consider the recommendations in the Welsh Government's report to be a part of promoting opportunity for women across Wales and growing our economy.

”

Ben Cottam, Head of External Affairs, Federation of Small Business, Wales

The Panel

Helen Walbey

Chair, Expert Panel;
Managing Director,
Recycle Scooters;
National Policy Chair Home
Affairs, FSB

Alys Carlton

Partner, Capital Law

Ben Cottam

Head of External Affairs,
FSB Wales; and member of
Business Wales Strategic Board

Bronwen Raine

Managing Director, Antur Teifi

Caroline Challoner

Big Ideas Wales

Caroline Thompson

CEO, Be The Spark

Cerys Furlong

Natasha Davies and Hade Turkmen

Chwarae Teg

Christine Atkinson

Head of Women's
Entrepreneurship Hub,
University of South Wales

Ellie Fry

Strategic Director,
South and Mid Wales Chamber
of Commerce

Katharine Notley

Business Wales
Accelerated Growth Programme

Laura Moulding and Sarah Roberts

Knowledge and Research Officer
Business Wales

Mabs Noor

Secretary General,
Wales Bangladesh Chamber
of Commerce

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Head of Management,
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Welsh Government

Zara Williams

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Welsh Government

Carys Roberts

Business Wales Youth
Entrepreneurship Team,
Welsh Government

Organisations Consulted

- Barclays
- Be The Spark
- Big Ideas Wales
- Business in the Community Cymru
- Business Wales
- Business Wales Accelerated Growth Programme
- Capital Law
- Cardiff Business School, Cardiff University
- Chwarae Teg
- Deloitte
- Development Bank of Wales
- Enterprise Europe Network
- Full Circle Education Solutions
- FSB, The Federation of Small Business
- Future Generations Commissioner for Wales Office
- Gambit Corporate
- Finance LLP
- Grant Thornton LLP
- Hodge Bank
- HSBC
- Irdium Corporate Services Limited
- Lloyds Bank
- Menai Science Park (MSparc)
- MHA Broomfield Alexander
- NatWest
- Network She
- Royal Bank of Scotland (RBS)
- Santander UK
- Shoot from the Hip
- South Wales Chamber of Commerce
- Triodos Bank
- The Princes Trust
- Thin Cats
- University of South Wales
- Vale of Glamorgan Council
- Wales Bangladesh Chamber of Commerce
- Wales Co-operative Centre
- Women's Enterprise Scotland

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- 2 APPG for Entrepreneurship. Women in Leadership, 2018
- 3 UK Women's Business Council: Maximising Women's Contribution to Future Economic Growth, 2017
- 4 Burt, L. The Burt report: Inclusive Support for Women in Enterprise, 2015
- 5 Aston University. Surge in female start-ups narrows 'enterprise gap', 2017
- 6 Global Entrepreneurship Monitor (GEM), 2017
- 7 FSB. Women in Enterprise: The Untapped Potential, 2016
- 8 FSB. Going Solo: Understanding Self-Employment, 2017

Glossary

Be The Spark

Be The Spark was established following Wales' participation in the Massachusetts Institute of Technology's Regional Entrepreneurship Acceleration Programme. Be The Spark works across core five stakeholder groups – academia, corporate business, entrepreneurs, government and risk capital – to stimulate the innovation driven entrepreneurial eco-system in Wales with a view to creating more jobs and boosting Wales' economy. The model is based on engagement and alignment between the stakeholder groups.

Business Wales

Business Wales is the Welsh Government's bilingual business support service. It provides access to a range of business support from the public, private and third sectors for micro-businesses, small and medium sized business (SMEs), social enterprises, and those considering starting a business.

Business Wales Strategic Board

The Business Wales Strategic Board (the Board) monitors the delivery and impact of Business Wales to ensure continuous improvement with a focus on quality. The Board is independent of Government and membership includes representatives from the business community, industry bodies and academia. The Board provides advice on the delivery and direction of Business Wales, by ensuring that the needs of entrepreneurs, including young entrepreneurs and social entrepreneurs, micro-businesses and SMEs are taken into account.

Gender-Aware/Gender-Focused

A gender-aware or gender-focused approach considers any barriers that may be preventing the participation or use of a service by women (or men) and adapts accordingly in order that a positive outcome is achieved. In the case of business support provision a knowledge and understanding of the key issues for women in business is required.

Gender-Blind

Gender-blind programmes and policies do not account for the diverse needs of women (or men) and fail to recognise that the roles and responsibilities that women (or men) are ascribed to, or are imposed upon them in specific social, cultural, economic and political contexts. They maintain status quo and will not help reduce inequality.

Gender-Lens

Gender lensing is a method used to assess whether materials (online courses, marketing etc.) and delivery of courses are equally accessible and/or appealing to both men and women, and are not gender stereotypical or discriminatory.

Global Entrepreneurship Monitoring

The Global Entrepreneurship Monitor (GEM) is an internationally recognised worldwide study on entrepreneurship. The information provided by GEM allows a deep understanding of the environment for entrepreneurship and provides valuable insights. A wide range of organisations leverage GEM's data to promote evidence-based policies towards entrepreneurship around the world.

Intersectionality

Intersectionality is an analytic framework that attempts to identify how interlocking systems of power impact those who are most marginalized in society. Intersectionality considers that various forms of social stratification, such as class, race, sexual orientation, age, disability and gender, do not exist separately from each other but are interwoven together.

Total early-stage entrepreneurial activity rate

Total early-stage entrepreneurial activity rate (TEA) is the prevalence rate of individuals in the working age population who are actively involved in business start-ups, either in the phase of starting a new firm (nascent entrepreneurs), or in the phase spanning 42 months after the birth of the firm (owner-manager of new firms).